



Department of Justice

FOR IMMEDIATE RELEASE
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**JUSTICE DEPARTMENT CLEARS BANK MERGER BETWEEN FIRST BANK/
FIRST INTERSTATE AFTER PARTIES AGREE TO \$170 MILLION DIVESTITURE**

WASHINGTON, D.C. -- The Department of Justice's Antitrust Division today cleared an approximately \$10.3 billion bank merger involving First Bank System's purchase of First Interstate Bancorp after the banks agreed to divest about \$170 million in deposits. The divestiture resolves the Department's concerns that First Bank's acquisition would lessen competition for banking services available to small and medium-sized businesses.

First Bank System has agreed to sell three branches -- two First Bank System branches, one in Laramie, Wyoming and one in Riverton, Wyoming, and one First Interstate branch in Great Falls, Montana.

The Department said it will advise the Federal Reserve Board that, subject to the sale of the three branches to competitively suitable purchasers, it will not challenge the acquisition.

First Bank System is based in Minneapolis and has more than 360 offices with about \$21.9 billion in deposits and \$33 billion in total assets. First Interstate is based in Los Angeles and has more than 1,000 offices with about \$48.2 billion in deposits and over \$55 billion in total assets.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "This acquisition could have reduced competition and caused businesses to pay more for banking services in these three markets. These divestitures will preserve competition in those markets."

The Department also said it is continuing to study Wells Fargo & Company's proposed tender offer for First Interstate and expects to complete its review shortly.

Both proposed acquisitions of First Interstate, by First Bank and Wells Fargo, are subject to the approval of the Federal Reserve Board.

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